

# Mississippi

Updated: December 2, 2004

	FY2005	FY2004
Spending on Tobacco Prevention	\$20.00 million	\$20.00 million
% of CDC Recommended Minimum	106.44%	106.44%
Rank Among States (1-51)	3	3

## Tobacco Generated Revenue (FY2004)

\$172.80 million

## CDC Recommended Minimum Spending on Tobacco Prevention

\$18.79 million

## Actual Spending on Tobacco Prevention (FY2004)

\$20.00 million

**Summary:** The U.S. Centers for Disease Control and Prevention (CDC) recommends that the state of Mississippi spend between \$18.8 million and \$46.8 million a year to have an effective, comprehensive tobacco prevention program. Mississippi currently allocates \$20 million a year for tobacco prevention. This is within the CDC's recommended guidelines and ranks Mississippi 3rd among the states in the funding of tobacco prevention programs. Mississippi's spending on tobacco prevention amounts to 11.6% of the \$172.8 million in tobacco-generated revenue the state collects each year in tobacco settlement payments and tobacco taxes.

## Tobacco's Toll in Mississippi

High school students who smoke	22.4%
Kids (under 18) who become new daily smokers each year	9,300
Kids now under 18 and alive in Mississippi who will ultimately die prematurely from smoking	81,600
Adults in Mississippi who smoke	24.4%
Adults who die each year from their own smoking	4,700
Annual health care costs in Mississippi directly caused by smoking	\$662 million

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The state of Mississippi reached an agreement with the tobacco industry in July 1997, prior to and separate from the November 1998 multi-state settlement agreement. As a result, Mississippi agreed to launch a tobacco prevention pilot program, and the tobacco industry agreed to pay the state an initial block payment of \$170 million in 1997 and an annual payment between \$136 million and \$255.7 million each year thereafter.

**Current Status:** Under a 2000 Mississippi Supreme Court order, Mississippi must spend \$20 million a year of the state's annual settlement payment to continue the tobacco prevention program it launched in 1999. The remainder of the annual settlement payments is deposited into the Health Care Trust Fund, with the interest available for expenditure by the Legislature.

However, in 2004, the legislature passed and Governor Haley Barbour (R) signed legislation appropriating a portion of the 2004 annual settlement payment minus the \$20 million for tobacco prevention to the Health Care Expendable Fund for expenditure in the FY2005 budget instead of the Health Care Trust Fund. The funds will be returned to the trust fund if state revenues increase. As in previous years, the money was used primarily for healthcare related purposes such as maternal and child health care, the Children's Health Insurance Program (CHIP), mental health and substance abuse services, Medicaid, trauma care, and independent living and rehabilitative services.

Mississippi's pilot program has been highly successful. Between 1999 and 2002, smoking among public high school students declined by 29 percent, from 32.5 to 23.1 percent. Smoking among public middle school students declined by 48 percent over this same time period. In just one year, between 1999 and 2000, smoking declined by 21 percent among public middle school students and by 10 percent among public high school students. These declines included a 31 percent decrease in smoking among African American middle school students and a 20 percent decrease among African American high school students.

**Background:** In 1999, the Mississippi Legislature passed and then-Governor Kirk Fordice (R) signed a law which placed all settlement payments, other than those set aside for the tobacco pilot project, to a Health Care Trust Fund. The law protected most of the principal of the Trust Fund for investment. The law also set aside a specific amount each year from the interest generated for appropriation by the Legislature for healthcare purposes.

As part of Mississippi's settlement, an organization called the Partnership for a Healthy Mississippi was formed to plan and implement the state's two-year pilot tobacco prevention program. The pilot was launched in 1999 with a two-year allocation of \$62 million. Beginning in 2001, the Mississippi Legislature was responsible for making annual decisions to reauthorize money for the program.

However, in 2000, Attorney General Mike Moore (D) petitioned the Mississippi Supreme Court to set aside \$20 million annually from the state's tobacco settlement payments to continue the tobacco prevention program. The court did so. Thus, \$20 million annually is set aside for the program in perpetuity.

#### **Additional Resources**

The Toll of Tobacco in Mississippi

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